

STATE OF NEW JERSEY
Bureau of Securities
P.O. Box 47029
Newark, New Jersey 07101

IN THE MATTER OF:

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ORDER

:
GRANDFATHER CLAUSE FOR EXAMS OF :
AGENTS OF BROKER-DEALERS WHO ACT :
AS INVESTMENT ADVISER :
REPRESENTATIVES AND INDIVIDUALS WHO :
ARE EMPLOYED AS INVESTMENT ADVISER :
REPRESENTATIVES :

WHEREAS, the Chief of the New Jersey Bureau of Securities ("Bureau") is charged with the administration of the Uniform Securities Law (1997) ("Law"), N.J.S.A. §49:3-47 et seq., and the Regulations, N.J.A.C. § 13:47-1.1 et seq., promulgated under the Law;

WHEREAS, N.J.S.A. §49:3-67(a) provides, in part, that, "[t]he bureau chief may from time to time make, amend and rescind such rules, forms, and orders as are reasonably necessary to carry out the provisions of this law...";

WHEREAS, N.J.S.A. § 49:3-57(f)(1) states, "[t]he bureau chief may by rule provide for an examination which may be written or oral or both, to be taken by any class of or all applicants, as well as persons who represent or will represent an investment adviser in doing any of the acts which make him an investment adviser." Accordingly, the Bureau may opt not to require such examinations under certain circumstances;

WHEREAS, N.J.A.C. § 13:47A-4.2 sets out the examination requirements for agents and N.J.A.C. § 13:47A-4.4 sets out the examination requirements for investment adviser representatives;

WHEREAS, N.J.A.C. § 13:47A-4.4(c) states, "[f]or grandfathering purposes, the Bureau may consider other examinations as equivalent to the examinations required by this section",

WHEREAS, it is in the public interest and consistent with the protection of investors to grandfather individuals currently registered as agents of broker-dealers who act as investment adviser representatives and individuals employed as investment adviser representatives who have taken certain examinations and not require the grandfathered agents to take the examinations set forth in N.J.A.C. § 13:47A-4.4.

THEREFORE IT IS on this 1st day of May, 2002 HEREBY ORDERED that:

Pursuant to the authority of the bureau chief provided by N.J.S.A. § 49:3-57(f)(1) and N.J.S.A. §49:3-67(a), individuals who are registered as agents of broker-dealers as of the effective date of this order, who have taken the Series 7 and Series 66 prior to January 1, 2000 or the Series 65 prior to January 1, 2000 are hereby grandfathered and need not take the examinations required for investment adviser representative, except that the bureau chief may require an examination or examinations for any individual found to have violated any state or federal securities law.

An individual currently registered as an agent of a broker-dealer who has not acted as an investment adviser representative in any jurisdiction for a period of two (2) years, immediately preceding the effective date of this order, shall be required to comply with the examination requirements set forth in N.J.A.C. § 13:47A-4.4.

Pursuant to the authority of the bureau chief provided by N.J.S.A. § 49:3-57(f)(1) and N.J.S.A. §49:3-67(a), individuals who are employed as investment adviser representatives as of the date of this order, who have taken the Series 7 and Series 66 prior to January 1, 2000 or the Series 65 prior to January 1, 2000 are hereby grandfathered and need not take the examinations required for investment adviser representative, except that the bureau chief may require an examination or examinations for any individual found to have violated any state or federal securities law.

An individual who has not been employed as investment adviser representative in any jurisdiction for a period of two (2) years, immediately preceding the effective date of this order, shall be required to comply with the examination requirements set forth in N.J.A.C. § 13:47A-4.4.

This Order shall take effect immediately and shall remain in effect unless and until subsequently amended or rescinded by the bureau chief.

By: Franklin L. Widmann
Franklin L. Widmann
Chief, Bureau of Securities